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6 Attorneys for Plaintiffs,

7 STEPHEN FANTL, CHARLES "SCOTT" SOLOMON,

8 JODY WEAVER, DEBT DEFENSE SERVICES, LLC,

9 CLEARING SOLUTIONS, LLC, and

10 AWESOME ENTERPRISES, LLC

11 UNITED STATES DISTRICT COURT

12 FOR THE NORTHERN DISTRICT OF CALIFORNIA

13
14 STEPHEN FANTL, an individual;
15 CHARLES "SCOTT" SOLOMON, an
16 individual; JODY WEAVER, an
17 individual; DEBT DEFENSE
18 SERVICES, LLC, a Maryland Limited
19 Liability Company; CLEARING
20 SOLUTIONS, LLC, a Delaware
21 Limited Liability Company; and
22 AWESOME ENTERPRISES, LLC, a
23 Maryland Limited Liability Company,

24 Plaintiffs,

25 vs.

26 DAVID GLENWINKEL, an individual;
27 CRAIG BELING, an individual;
28 RAMIN AMIREBRAHIMI, aka "Ryan
Amir," an individual; KRISTI
CROWLEY, an individual; KATHY
HELM, an individual; PURE
SOLUTIONS, LLC, a Nevada Limited
Liability Company; GLOBAL
MANAGEMENT DEVELOPMENT,
INC., a California Corporation;
EXECUTIVE MANAGEMENT
SOLUTIONS, INC, a California
Corporation; PORTFOLIO
MANAGEMENT GROUP. INC.. a

COMPLAINT

FOR:

(1) FRAUD

(2) NEGLIGENT
MISREPRESENTATION

(3) BREACH OF CONTRACT

(4) PROFESSIONAL NEGLIGENCE

(5) BREACH OF FIDUCIARY
DUTY

(6) RESCISSION

(7) CONVERSION AND TRESPASS
TO CHATTELS

(8) QUANTUM MERUIT

(9) INTERFERENCE WITH
EXISTING AND PROSPECTIVE
ECONOMIC AND CONTRACTUAL
RELATIONSHIPS

1 California Corporation; FIVE STAR
2 MANAGEMENT, LLC, a Maryland
3 Limited Liability Company; BELING
4 & ASSOCIATES, a Texas Business
5 Entity; ALLIANCE RETIREMENT
6 TRUST OF DELAWARE, a Delaware
7 Trust; SUMMIT FINANCIAL LLC, a
8 California Limited Liability Company;
9 and FIRST FIDELITY, a California
10 Limited Liability Company,

11 Defendants.

12 1. Plaintiffs Stephen Fantl, Charles "Scott" Solomon, Jody Weaver, Debt
13 Defense Services, LLC, Clearing Solutions, LLC, and Awesome Enterprises, LLC
14 (collectively "Plaintiffs"), for their Second Amended Complaint in this action,
15 allege as follows:

16 2. This Court has subject matter jurisdiction over this action pursuant to
17 28 USC Section 1332, in that this is an action between citizens of different states
18 wherein in the amount in controversy exceeds the sum of \$75,000, exclusive of
19 interests and costs.

20 3. Venue of this action is proper in this district under 28 USC Section
21 1391 in that a substantial portion of the events giving rise to the claims in this case
22 arose in the Northern District of California.

23 **FACTS COMMON TO ALL CLAIMS FOR RELIEF**

24 4. Defendant Ramin Amirebrahimi (aka Ryan Amir) introduced
25 Defendant David Glenwinkel to Defendant Michael Gabor in the summer of 2014.
26 Amir claimed Glenwinkel had been his "financial adviser" for a number of years
27 related to tax matters and so-called "asset-protection strategies." At the time Gabor
28 was working for Plaintiffs Awesome Enterprises and Five Star Management

5. Glenwinkel visited the offices of Awesome and Five Star in Maryland
in August 2014. . During that visit he was introduced to Plaintiff Charles
"Scott" Solomon. Solomon spoke to Glenwinkel at that time about his purported

1 expertise in financial advice, taxation, and asset protection.

2 6. During his meeting with Solomon, Glenwinkel claimed he was a
3 renowned expert with extensive background in the debt invalidation industry, and
4 that he wanted to help with the Solomon and Fantl's debt invalidation related
5 businesses. He told Solomon he was one of the most sought after planners, tax
6 advisors, and business developers in the world. He asked Solomon to send him
7 information on Solomon and Fantl's debt invalidation businesses, and that he would
8 look them over to see how he could be of assistance.

9 7. In September 2014, Solomon and Weaver sent Glenwinkel all the
10 relevant information, operating agreements for the companies, books, and records.
11 Scott and Jody also provided Glenwinkel with a detailed overview of how all the
12 companies were structured – including, but not limited to, the incorporators of each
13 company.

14 8. In late October of 2014, Solomon and Fantl were in Las Vegas on
15 business and Glenwinkel was also there to see Mike Gabor. He met with Plaintiffs
16 to provide his analysis of the information he had been provided. He told Scott and
17 Stephen that, after looking through all the books and records, that it was an
18 impressive business and that he could in fact assist Scott and Stephen in improving
19 the business. He indicated that the cost would be \$5,000 (five-thousand) a month.
20 However, he would file the company tax returns for free.

21 9. His assistance for the \$5,000 a month would include all corporate taxes,
22 Scott's personal taxes, minutes for the corporations he felt were needed, and
23 additional agreements between the other companies which 5 Star Management was
24 doing business with - specifically Precision and Pure.

25 10. After various communications in November, Jody Weaver of 5 Star
26 Management (the management company for DDS, Clearing, Pure, Precision, and
27 AWESOME – Stephen and Scott's joint LLC) began paying Glenwinkel, via his
28 company, Executive Management Solutions, in December of 2014, the \$5,000 a

1 month. Payments of \$5,000 a month continued through March of 2015 when Glenwinkel took control of the company's revenue stream, and the \$1,000,000 reserve was sent to his company GMD (Global Marketing and Development).

11. Additionally, the money was deposited into a trust, the Alliance Retirement Trust through Wells Fargo. Fantl's name was supposed to be put on the trust account by Defendants -- however, this never happened.

12. An example of the untrue statements made by Glenwinkel is set forth in e-mail dialogue between Jody Weaver and Glenwinkel on November 17, 2014:

"Thank you for the time and discussions last week, my aim is to have these returns structured this week, along with Mike's, and to wrap them out next week. Are there passwords to the QB Files? If you sent them previously I apologize in advance."

From: David Glenwinkel [mailto:david@taxcite.com]

Sent: Monday, November 17, 2014 3:28 PM

To: Jody Weaver

Cc: Scott Solomon; Dana Agosti; Kristi Crowley

Subject: Five Star Management Engagement

Hello Jody,

Thank you , and yes, please hold off on that company registration till you hear from me. For your FYI, I have copied Dana Agosti, our supervising CPA and our CFO Kristi Crowley on this email. Next week we will try to schedule a time just to connect us all on the phone so you can get to know them.

Kristi,

Please send Jody Weaver bank info per below. You can invoice them via pdf, and they will auto schedule the payment. recurring payment to you for \$5,000.00 the 1st of each month. Please forward your banking information to me in order to create an ACH template

Five Star works closely, and shares office space with Michael Gabor, (Vant Capital) and they work with Ryan Amir. However, these are separate clients so just

1 a reminder to maintain that firewall in terms of information sharing. If there is ever
2 an issue with cross referencing info, please run that through me.

3 DG

4 13. On February 11th and 12th of 2015 Glenwinkel flew to Denver to meet
5 with Scott and Stephen to discuss his further analysis of the companies and to meet
6 with Gabor. Additionally, he was also to meet with Ryan Amir, who was/is the
7 principal of Pure. David told Scott and Stephen that, based on how he thought they
8 were doing business, retention rates of clients, and the means by which Jody at 5
9 Star was keeping the books (backed up by e-mails) that Scott, Stephen and the
10 Companies were in trouble.

11 14. The solution he proposed was to let him take over management of the
12 companies, that he would assume and fix the liabilities of DDS, 5 Star, & Clearing.
13 He also indicated that he would improve the customer service center, improve
14 retention, and grow the business. He said if Scott and Stephen would sell him the
15 companies, he would ensure that Scott and Stephen received the full value of the
16 business as it was (the ongoing revenue stream) and have royalties (millions) on the
17 new business that would be used in order to separate the business (referred to as
18 back revenue stream) from the new business, called GMD. However, the ending
19 result was Glenwinkel purchasing the rights to service the clients, leaving the
20 liability and ownership of the companies with Scott and Stephen.

21 15. Glenwinkel, in conjunction with Craig Beling, put together an MOU
22 immediately following the Denver meeting of February. There were
23 communications back and forth regarding the MOU. Stephen and Scott's position
24 was that the way Glenwinkel put it together was not appropriate and that he was not
25 providing for the value of the business going forward. He told them he was the
26 expert; that they didn't know what they were doing and that was the reason he had
27 to come in and save them.

28 16. He also told Stephen and Scott he had taken DDS and Clearing and

1 placed/subsumed them into an older business (Portfolio Group Management (PGM)
2 - <http://www.pgmfunds.com/>) that had a lot of losses. He told them his company
3 now owned DDS and Clearing for tax purposes. In an e-mail to Solomon and Fantl
4 of March 6, 2015, Glenwinkel states in part "I am currently holding DDS as an asset
5 of Portfolio Group Management Inc. which is my Parent Corporation."
6 Additionally, on April 21st Glenwinkel sent to Fantl the "Resignation &
7 Withdrawal" letter so Fantl could resign from Clearing, the acceptance of the
8 resignation is signed David Glenwinkel, President, Portfolio Management Group.
9 Also on April 21st, Glenwinkel sent to Fantl an Operating Agreement for Clearing
10 back-dated to its inception wherein Fantl had been removed as the 100% Member,
11 and replaced by Glenwinkel, his e-mail states "This does not require your signature,
12 just fyi. I have ordered the Articles from SOS Maryland."

13 17. Regarding discussions leading up to the signing of the MOU, and
14 Stephens position that he was not taking into consideration the value of the business
15 model going forward Glenwinkel responded on March 3rd (MOU was done March
16 10th and became effective March 15th with the transfer of \$1million to GMD):

17 "I am certified under title 26 of the US Courts to provide expert testimony in
18 matters of valuation both broadly speaking and specifically for residual
19 income streams, and have been engaged well over a hundred significant
20 valuations in cases of partner disputes, divorce, estate and criminal fraud over
21 the past thirty years."

22 "I was the first US citizen to be certified by the Federal Court in San
23 Francisco to value an international Hedge Fund subsequent to the stock crash of 08
24 in a case involving Swiss and Cayman mortgaged backed securities being sold to
25 US Citizens. While I appreciate your comments below, it is obvious this is not your
26 expertise."

27 "For the future book of business which commenced on March 11th, 2015
28 value to Solomon group was determined in the license fee. That was clear to all

1 parties. The license fee is the highest by far of any similar type of product I have
2 found but given the relationship and our future work together I accept it completely.
3 I opened additional matters for consideration after the understanding was signed per
4 the items below.”

5 “We agreed that we have some shakedown work to do. On my side that
6 includes putting the operational house in order. Virtually none of the best practices I
7 expected to see are in place, and the accounting is poorly done and that is a kind
8 assessment.”

9 18. Stephen also indicated to David on March 3rd that the MOU was not
10 binding and that it was flawed because he could not have 5 Star effect the transfer of
11 the companies (DDS, Clearing, Precision and Pure) because 5 Star had no capacity
12 to do so and because the affiliates needed to consent to the transfer first which they
13 had not done, he responds in part to that:

14 “As to your comment on the legal standing of the MOA, “where the parties
15 have finalized all the terms of their agreement and intend to be bound
16 immediately but will put those terms in a form that is more precise (but no
17 different in effect), it is a legally binding instrument.”

18 “There was a clear intent here to be legally bound, and I was clear in our
19 preliminary discussions on this point. Further, the significant terms of the
20 understanding have been executed.” (They had not, but he said they were and
21 he’d sue of Solomon and Fantl if they backed out)

22 “I valued the old book of business within guidelines and considerations that
23 are common to this form of income stream. The total value of the stream
24 payable on an earn out, is \$4.5 million plus 1.4 million (approximately) that
25 Mike is being paid out as a guarantee on my side which would have been
26 attributable to you. That totals 5.9 million.”

27 19. In a phone call from Stephen to David following the March 3rd e-mail,
28 Stephen told David that he did not think 5 Star as the transferring party of the MOU

1 has any legal capacity to transfer rights and value of companies as it was simply
2 managing processing and funds. David was adamant that he has been developing
3 companies for over 20 years, had a law degree, and knows better. To follow up in an
4 e-mail (titled 5 Star – Solomon Agreement) of the same day (March 3rd) he states:

5 “Dear Stephen and Scott,

6 Although there are some documents yet to backfill here, I have attached my
7 copy of a signed MOA/Agreement, the promissory note, signed, want to
8 affirm here in this email with the summary below that I am agreed that we
9 have a body of work completed that will allow us to move forward in the time
10 table we discussed. I have added a clause for the payment of a royalty to Scott
11 or his assigns through the expiration of the old book of business, commencing
12 however in six months. I also included the summary below beneath our
13 signatures. There are assignments and exhibits to complete, but I believe this
14 will serve to get us in the process this week, with signatures tomorrow, and
15 transfer and settlement of funds by mid week. I thank you very much for your
16 kind patience in this process, and I look forward to a long and prosperous
17 future together.”

18 20. Between March 3rd and 10th Stephen Fantl and Glenwinkel had
19 conversations where Fantl indicated he still didn’t think what was happening was
20 right. The reason Fantl indicated that he though what was happening was wrong
21 was not to be argumentative, but that he truly felt that the methods by which the
22 acquisition was happening were wrong and wanted them to be done correctly.
23 Glenwinkel said they had a binding agreement now, “lawyer up if you don’t like it.”
24 Scott and Stephen both felt that if they didn’t follow through with the MOU then
25 they would be sued. This was the same position Glenwinkel took in the e-mail of
26 March 3rd where he stated “As to your comment on the legal standing of the MOA,
27 “where the parties have finalized all the terms of their agreement and intend to be
28 bound immediately but will put those terms in a form that is more precise (but no

1 different in effect), it is a legally binding instrument.”

2 21. Also on March 3rd he reiterated to Stephen in an e-mail labeled Bless
3 you, that he would cover their value:

4 “we will create a simple formula, likely just based on a scalable royalty fee
5 based on some (again simple) formula that is easy to measure and increases
6 with volume, I like to weigh profit sharing, and owner level fees most heavily
7 once the costs are met and profit efficiencies really kick in.”

8 “My thoughts on royalties should add millions to your plate if the numbers
9 play out that I was toying with yesterday.”

10 22. Fantl continued to object that 5 Star could transfer assets.

11 23. After all these discussions, David made a couple of minor changes and
12 sent an MOU with Promissory note on March 8th. Part of that agreement was that
13 DDS, Clearing and 5 Star collectively transfer \$1,000,000 to GMD, which was done
14 on the 10th of March to Alliance Retirement Trust. On the 15th of March, the
15 revenue stream was redirected to GMD with payments coming from ACE business
16 solutions to GMD.

17 24. The “Promissory Note,” and ultimately a UCC filing David created as
18 part of MOU, was made to 5 Star. He later claimed he had taken 5 Star as part of the
19 overall deal, and subsequently dissolved it. So, he made a promissory note to a
20 company he intended to take. Yet there is no record of a sale of 5 Star to GMD
21 (even after multiple requests for such documentation). GMD also sold furnishings
22 belonging to 5 Star.

23 25. Between March 15 and April 1, David had his associates calling
24 multiple employees of 5 Star to gather information without informing Jody Weaver
25 or Scott Solomon of these interrogations. On April 1, Kathy Helm, Craig Beling and
26 David Glenwinkel came into the office in Maryland to transfer the employees from
27 5 Star to GMD. At no time did Glenwinkel’s associates come to Jody or Scott to
28 discuss the transfer of any of the employees.

1 26. At that time, Glenwinkel, Beling, and Amir started calling all of the
2 affiliates and telling them that they had purchased all of the companies from Scott
3 and Stephen/5 Star; they also told this to all of the employees. Scott and Stephen
4 were still working in good faith under the MOU, while still telling David that he had
5 not, in fact, purchased anything.

6 27. On April 9, they terminated the employment of Todd Lubar, who was
7 the Operations Manager of the processing, customer service, and quality control
8 department. David made an agreement to pay Todd \$250,000 a month for 6 months
9 [\$1.5 million] (as a separation agreement) using the revenue stream he had acquired
10 from Scott and Stephen - money that was to be for Scott and Stephen. He made one
11 payment to Todd Lubar then sued Todd so he would not need to make any further
12 payments. David also sued Mike Gabor so he would not have to pay Gabor the \$1.4
13 million dollars he had previously agreed to. Scott and Stephen agreed Gabor was
14 not entitled to the money as he was not doing any work. Scott and Stephen had been
15 giving Gabor, from their revenue, approx. \$150,000 a month in exchange for an
16 interest in his hedge fund, which was run out of the same office as the debt
17 companies.

18 28. After two weeks of Craig Beling unsuccessfully attempting to run the
19 company as CEO of GMD, Glenwinkel brought in another person to act as COO –
20 Bill Frado. Bill Frado was also unable to successfully run the company and
21 seemingly had no idea what to do. Further, Marilyn Mazza and Nicole Jarkiewicz
22 were instructed by Bill Frado on several occasions not to speak to Scott Solomon or
23 Jody Weaver about anything business related, even though Scott Solomon and Jody
24 Weaver still owned the companies. As a matter-of-fact, Frado went so far as to tell
25 Mazza and Jarkiewicz that Scott did not own the company, was a “nice guy” but
26 “horrible business person” and that the company was “going bankrupt” had GMD
27 not taken over. Due to the inability of both Beling and Frado to provide and
28 structured upper-management, several key employees left the company (namely

1 Dana Johnson and Frank Guevara).

2 29. Upon finding out Gabor was not being paid, Scott and Stephen
3 indicated to David that the money should not be for David to keep. But rather, Scott
4 and Stephen had earned it as part of the revenue stream. In a very contentious
5 phone call in April between Stephen and David, Stephen told David "you cannot be
6 promising Todd Lubar, or other people funds from our revenue stream," The only
7 place the \$1.5 million he had agreed to pay Lubar could come from was that revenue
8 stream from the back book of business. David agreed.

9 30. The original verbal agreement that started the whole process back in
10 February's discussions was based on David protecting and paying the entire revenue
11 stream due to Scott and Stephen. Scott and Stephen based their decisions off of
12 these promises made by David. To date, David has taken far more than he has given
13 up.

14 31. David said Stephen and Scott had agreed to a "shakeout period" and
15 that he would come up with a formula that would compensate Scott and Stephen
16 more properly than the MOU, which would allow David to collect more up-front
17 fees. On April 23 David sent an email entitled "Calculating Old Book of Business
18 to Fantl, and Sandy Barnes. He stated: "For purposes of our formula, determining a
19 profit share to apply to accelerated payments of the purchase price and tagging
20 additional revenue share for the back book to enhance the total potential return to
21 the sellers, a monthly number is what we need."

22 32. On April 24, 2015, e-mail "Resignation and Withdrawal": Glenwinkel
23 states "I did prepare a memorialized transfer of Precision. No hurry. We have some
24 time." He subsequently made Precision sign a direct agreement with GMD.

25 33. David and his attorney Craig Beling agreed to meet in Denver to do a
26 new agreement on May 4th and 5th – essentially admitting that the previous MOU
27 was null and void. He presented Scott and Stephen at the meeting with a variety of
28 spreadsheets. In them he stated in April they received \$1,043,672.24 and that the

1 cost to service the book transferred to him was \$630,000. Therefore with also
2 keeping money as a reserve, GMD could only give Scott and Stephen 19.36% of the
3 revenue. The actual cost and what he was paying ACE is approx. \$300,000 so
4 David was pocketing for himself an additional approx. \$330,000 a month which
5 should rightly go to Stephen and Scott.

6 34. In this updated agreement of May 5th, Stephen and Scott via Awesome
7 Enterprises received 25% of GMD for compensation of the value of the business
8 model, clients, etc... What was always understood from day 1 in February was that
9 David's value in this is that he would be getting 75% of the new company business
10 (GMD) going forward. All the back revenue was to be sent to Stephen and Scott.
11 David never paid a single penny in consideration, once he was given control. He
12 paid Stephen and Scott approx. 15% (\$166,000) a month from their own revenue
13 stream, paid the costs of the business which were approx. \$300,000 a month
14 previous to his taking over, and he kept the rest.

15 35. During the May 5th agreement Stephen again brought up the issue of
16 liability to the clients. This stemmed from David & Craig wanting to change the
17 product, as part of the May 5 agreement. In section 5 it was agreed we would work
18 together to make changes to the product; if the product doesn't work or is changed
19 substantially to be something other than what people were sold. Stephen saw
20 significant risk and David told Stephen that all liability was on Stephen and Scott.
21 David claimed he had only "purchased" (with no money) the revenue stream but not
22 the clients or company.

23 36. Stephen said he thought PGM was the owner of the companies. He
24 gave some answer Stephen didn't understand about how it was only regarding taxes
25 but not liability. That evening he sent an e-mail to Stephen and Scott entitled
26 "Privileged and Confidential Financial Disclosure Requirements": Glenwinkel states
27 he is:

28 Memorializing a historical record to validate ownership of DDS and Clearing,

1 if only tax matters were the issue, is a common and relatively secure way of
2 directing the tax toward the owner of record. However, this act becomes evidentiary
3 to other authorities who may be conducting investigations in other matters such as
4 criminal accusations or civil breaches that could amount to fines and penalties or
5 more that will inure to the ultimate beneficial interest.

6 37. This is in direct contrast to the April 21st e-mail wherein he sent
7 Stephen a document entitled "Resignation and Withdrawal" that had Stephen Resign
8 from Clearing, that document was to be signed by David as the President of PGM.

9 38. At the May 5th meeting was Sandy Barnes of ACE. She was to do the
10 actual servicing of the clients as David had no capacity and no people to actually
11 "service" them since he had fired the entire staff in Maryland that had been handling
12 such things. David and Craig Beling, almost a month later, finally made an
13 agreement with Barnes after her telling them she was out if they continued playing
14 games. Now, David and Beling are doing nothing to service the book of business
15 transferred to them illegitimately by 5 Star and taking hundreds of thousands
16 monthly. Even worse, they have caused substantial damage in their dealings with
17 the affiliates. 50% of the business has left as they don't want to deal with David &
18 Craig. David and Craig also informed the affiliates during the April transfer of
19 employees, that GMD had purchased the company when, in fact, they had not.
20 Additionally, they said that Scott and Stephen did not have a reserve put in place,
21 which was the 1 million transferred to the Trust. Then, GMD told the affiliates that
22 they (GMD) had a reserve put in place, when it was truly the 1 million in the Trust
23 funded by Scott and Stephen. During the May 5 meeting, Stephen had inquired
24 about the 20,000 paid to Executive Management Solutions (David's tax company).
25 Glenwinkel said that money was not for the debt companies, but for the IT
26 companies. David said his regular rate for "this kind of shit" (verbatim) was
27 100,000. However, Stephen and Scott do not own the IT companies, have no say in
28 the financial side of the IT companies, and therefore could never have given David

1 permission to work for the IT companies – this leaves only the debt companies that
2 David could have done anything for.

3 39. To make matters significantly worse, Beling then changed the product
4 down to ½ a page dispute from what were 8 pages and worked 97% of the time;
5 Fantl never agreed and has objected strenuously. The product is wholly insufficient
6 and unacceptable, it is not what the clients paid for, and Beling was required by
7 Section 5 of the agreement to work with Stephen as the creator and copyright holder
8 on the paperwork. Stephen made several attempts between May 6 and June 9th to
9 get Beling to work with him to change the product -Beling never replied to a single
10 e-mail from Stephen. Now Stephen and Scott are left with the liability of the clients
11 who no longer are receiving the service they paid for while Beling and David are
12 collecting the vast majority of the money.

13 40. David had no right to Dissolve 5 Star. He then went and started selling
14 5 Stars furnishings.

15 **CLAIMS FOR RELIEF**

16 The foregoing allegations, which are incorporated by reference, give rise to
17 the following claims for relief:
18

19 A. Fraud and Negligent Misrepresentation against all Defendants -- All of the
20 Defendants conspired to defraud Plaintiffs.

21 B. Breach of Contracts – If any valid and enforceable contracts are found to
22 exist between Plaintiffs and Defendants, Defendants breached those
23 contracts.
24

25 C. Professional Negligence – Defendants Glenwinkel, Beling, and their
26 companies breached their professional duties to Plaintiffs.

27 D. Breach of Fiduciary Duty – Defendants Glenwinkel, Beling, and their
28

1 companies breach their fiduciary duties to Plaintiffs.

2 E. Rescission – The purported transfers made by Defendants were fraudulent,
3 not supported by consideration, and should be adjudged as rescinded.

4
5 F. Conversion and Trespass to Chattels -- Defendants converted the real and
6 personal property of Plaintiffs as detailed above.

7 G. Quantum Meruit – Defendants owe Plaintiffs restitutionary relief in
8 quantum meruit.

9
10 H. Interference with Existing and Prospective Economic and Contractual
11 Relations – Defendants mismanagement, fraud, and misrepresentations to
12 third parties including affiliates destroyed Plaintiffs' businesses.

13 WHEREFORE, Plaintiffs on behalf of themselves and the claim pray for
14 judgment against all Defendants as follows:

- 15 1. For monetary damages in excess of \$50 million, to be proven at trial;
16
17 2. For attorneys' fees and costs; and
18
19 3. For such other relief as the Court deems just and proper.

20
21
22 DATED: \

23 /s/ Matthew C. Elstein

24 By:

25 MATTHEW C. ELSTEIN
26 Attorneys for Plaintiffs
27
28